



State of Wisconsin  
**Department of Health and Family Services**

Jim Doyle, Governor  
Helene Nelson, Secretary

**Milwaukee Child Welfare and Kinship Care**

Change to Base	FY 04		FY 05	
	GPR	All Funds	GPR	All Funds
MCW Operations	\$405,400	\$1,823,600	\$553,800	\$2,171,200
MCW Aids	\$1,869,200	\$2,539,900	\$2,487,900	\$2,053,000
Kinship Care (All Counties)		(\$696,900)		(\$696,900)
<b>Total</b>	<b>\$2,274,600</b>	<b>\$3,666,600</b>	<b>\$3,041,700</b>	<b>\$3,527,300</b>

**Description of Proposal**

- Fully funds the ongoing cost of operating the Milwaukee County child welfare (MCW) system, including MCW safety services to prevent abuse and neglect in families who are under stress.
- Based on caseload projections for the next biennium, reduces annual funding for the Kinship Care program by \$17,300 FED for non-Milwaukee counties and by \$679,600 FED for Milwaukee County. Maintains current eligibility and benefit levels and includes federal funding for county funded and waiting list cases.

**Background**

- Since January 1, 1998, DHFS has operated the child welfare system in Milwaukee County, which is responsible for protecting children from abuse and neglect. The system serves the needs of approximately 4,500 children who have been removed from their homes for safety reasons and provides services to roughly 400 other families to help children remain safely with their families.
- Kinship Care is a county administered program that provides a \$215 payment per month per child to a relative who is caring for a child, provided certain criteria are met. The benefit is funded with federal Temporary Assistance for Needy Families (TANF) funding.

**Rationale for Proposal**

- Providing an appropriate level of funding for the MCW system is needed to ensure the safety of vulnerable children.
- In November 2002, the state agreed to a legal settlement that requires it to achieve specific performance standards in the MCW system. The proposed funding enables the Department to meet the terms of the settlement.
- The need for additional GPR funding results primarily from 1) a re-estimate of caseloads and 2) a decrease in federal funding due to changes in federal regulations.
- The Department has been successful in significantly improving the outcomes for children in Milwaukee. The number of children in out of home care has dropped from nearly 7,000 in May 1999 to roughly 4,500 in December 2002. For two thirds of families who entered the system in 2002, MCW staff avoided removing

children from the home by providing safety services. In addition, adoptions increased from 306 in 1998 to 504 in 2002.

- The Governor's Budget reflects a revised estimate of the funding needs for the system in the biennium. Several months of additional caseload and expenditure data showed the system had had further success in reducing the number of children in out of home care, and therefore a smaller GPR increase was needed than DHFS requested in its 2003-2005 biennial budget request.
- Funding for Kinship Care in the Governor's Budget will continue benefits for children with no changes to eligibility or benefit levels.
- The Governor's budget funds all projected Kinship Care cases, including those currently on waiting lists or funded with county revenue.